

**DEPARTMENT OF STATE REVENUE**  
**LETTER OF FINDINGS NUMBER: 28-970230 CSET**  
**CONTROLLED SUBSTANCE EXCISE TAX**  
**FOR TAX PERIODS: 1994**

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**ISSUE**

**1. CONTROLLED SUBSTANCE EXCISE TAX: IMPOSITION**

**Authority:** IC 6-7-3-5

Taxpayer protests the assessment of Controlled Substance Excise Tax.

**STATEMENT OF FACTS**

Taxpayer was arrested for possession of marijuana and cocaine. The Indiana Department of Revenue issued a record of Jeopardy Finding, Jeopardy Assessment Notice and Demand on August 12, 1994 in a base tax amount of \$17,394.40. Taxpayer filed a protest to the assessment. A hearing on the protest was scheduled for 10:00 a.m. on September 20, 1999. Taxpayer was notified of the hearing at his last known address. Taxpayer did not appear for the hearing. Further facts will be provided as necessary.

**Controlled Substance Excise Tax-Imposition**

**Discussion**

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the possession of marijuana and cocaine in the State of Indiana. Taxpayer has the burden of proving that the assessment is incorrect. Since Taxpayer did not appear at the hearing or offer any written information in lieu of a hearing, the Department must rely on the contents of the file in making a decision on the matter. Therefore, the tax properly applies to Taxpayer in this situation.

**Finding**

Taxpayer's protest is denied.